MEMORANDUM

TO: Water Control Board Members

FROM: Walter A. Gills

Construction Assistance Program

DATE: March 10, 2016

SUBJECT: Final Approval of Living Shorelines Loan Program Guidelines

Purposes:

During their 2015 session, the Virginia General Assembly amended *Chapter 22* of the *Code of Virginia* by adding *§62.1-229.5*. The new code section further expanded the activities of the Virginia Clean Water Revolving Loan Fund by allowing the State Water Control Board to authorize low interest loans from the Fund to a local government for establishing living shorelines or to a local government that has developed a funding program to individual citizens for the purpose of establishing living shorelines to protect or improve water quality. Further, the legislation authorized the Board to develop guidelines for the administration of those living shoreline loans. Staff is now recommending that the Board approve the Living Shorelines Loan Program Guidelines for implementation.

Background:

At its January 2016 meeting, the Board authorized the staff to present the draft Living Shorelines Loan Program Guidelines to the public for their review and comment. A public meeting was convened on February 23rd and the public comment period ended on February 29th. Notice of the meeting and public comment period was posted on the Virginia Regulatory Town Hall, the DEQ public calendar, and DEQ's Clean Water Financing and Assistance Program website.

Comments/questions were received from three people and are summarized, along with the DEQ responses, in the attachment. As requested, language has been added to the Guidelines to clarify the minimum size of the loans and to suggest outreach to wetland contractors in the marketing section of the Local Plan Guidelines. The final version is also attached to this memorandum.

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Discussion:

The staff developed draft Living Shorelines Loan Program Guidelines in conformance with the recent revision to state code authorizing the use of the Virginia Clean Water Revolving Loan Fund to finance Living Shorelines projects. The staff consulted with the Virginia Resources Authority, Virginia Institute of Marine Science, Virginia Marine Resources Commission, and the Middle Peninsula Planning District Commission during the development process. As authorized by the Board, staff presented those draft Guidelines to the public for their review and comment. All comments/questions that were received have been addressed and revisions were made based on those comments as deemed appropriate. At this time we are seeking Board approval of the Living Shorelines Loan Program Guidelines for implementation.

Staff Recommendations

Approve the revised Living Shorelines Loan Program Guidelines for implementation.